

**Milwaukee County Employees' Retirement System (ERS)**  
**Pension Budget, Audit and Compliance Committee Meeting**

**MINUTES**

**Members:**    Guy Stuller  
                  Dean Roepke  
                  Keith Garland

**1. Call to Order:**

Guy Stuller called the Audit Committee Meeting to order at 1:00 pm, on 6-5-09, in the 2<sup>nd</sup> Floor/Commission Room (210) of the Milwaukee County Courthouse, at 910 North 9<sup>th</sup> Street, Milwaukee, WI 53233.

**2. Roll Call:**

	<b><u>Members Present:</u></b>	<b><u>Members Excused:</u></b>	<b><u>Others Present</u></b>
:	Dean Roepke	Keith Garland	Gerald Schroeder
	Guy Stuller		Steve Huff
			Mark Grady

**3. Topic: 2009 Committee Schedule**

A brief discussion took place concerning the remaining committee schedule for 2009. It was agreed upon that we would deviate from the published schedule for the next two (2) months. This is being done in order to determine the availability of all new members to meet on a regular basis. The Audit Committee will meet as follows:

<b>July 2, 2009</b>	Thursday	1:00 pm	Courthouse	Commission Room
<b>August 6, 2009</b>	Thursday	1:00 pm	Courthouse	Commission Room

A presentation will be provided at the 7-2-09 Audit Committee meeting, on the status of the Annual Report and 2008 Audit Report. Gordon Mueller, the ERS Fiscal Officer, will provide draft materials at the session.

#### **4.Topic: Audit Committee Charter**

The Audit Committee Charter was briefly discussed and accepted as a guideline to follow. A copy of the charter will be added to the Board packet, as an informational document.

#### **5.Topic: Ordinance/Board Rules Discussion**

General discussion took place relating to multiple beneficiaries, the need to revise the PSO form and the broad authority of Option 7. Some members raised issues concerning the potential actuarial and pensions costs related to changing our interpretation.

It was agreed to that 1013 would be revised to soften the language. The revised document will be routing to committee members prior to the next meeting on 7-2-09. The committee agreed to wait on 1043, until 1013 is finalized.

Option 7 allows for Board discretion and flexibility in addressing cases like a member's request for multiple beneficiaries. The original intent was to discourage options less than 25%. Several points were discussed concerning the topic of multiple beneficiaries:

- Only one beneficiary is currently allowed at normal retirement.
- Only one beneficiary is currently allowed on the PSO form, for active employees.
- Only active employees with a Membership Account may name a contingent beneficiary on the PSO form.
- Counseling employees on Option 7 would be a way to inform them of pursuing multiple beneficiaries.
- Discussion should take place with our actuary, concerning related costs.
- Expanding the use of contingent beneficiaries needs to be thought through.

The view was expressed that a backdrop was not a beneficiary entitlement. In fact, it may not even be able to have an actuarial equivalent established.

6. Topic: **Disability – Ongoing Review of Retirees & Second Job Inquiry**

Discussion took place relative to provide information to employees applying and getting approved for Disability Retirement. ERS needs to expand our current disability application process, to include prior year tax forms and a notice on how earned income may impact their monthly pension payment. The current disability form needs to be amended to identify member responsibility for notifying ERS of any future earned income.

7. Topic: **Adjournment: 3:00pm**

A handwritten signature in black ink, appearing to be 'GJS', written over a horizontal line.

Submitted by  
Gerald J. Schroeder  
ERS Manager